

Workforce News



A quarterly publication of the Department of Workforce Services: issued December 2009

Central: Juab, Millard, Piute, Sanpete, Sevier, Wayne

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Wages—Make Sure You Get Them Right!

*"I'm taking what they giving 'cause I'm working for a livin'.
Hey I'm not complaining 'cause I really need the work
Hitting up my buddy's got me feeling like a jerk
Hundred dollar car note, two hundred rent.
I get a check on Friday, but it's all ready spent."*

Huey Lewis and the News

Inside:

- **Juab:** Jobs edge up
- **Millard:** Most industries lose jobs
- **Piute:** Unemployment lower
- **Sanpete:** Job losses mount
- **Sevier:** Hitting bottom?
- **Wayne:** Some industries improve

What to Pay? What to Accept?

In these times of economic distress, unemployed workers might be tempted to take any job regardless of the wage. On the other hand, employers may be tempted to pay substandard wages because they have such a huge pool of labor from which to choose. However, despite the current economic downturn, those old laws of supply and demand still apply when it comes to wages. Employers—you should still ensure you pay enough to attract and keep quality workers, while still keeping an eye on the bottom line. Workers—you should know what a particular job typically pays in order to guarantee you are being adequately compensated.



Contact the author, your regional economist, with any questions on content:

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We've Got Wages

Fortunately, the Utah Department of Workforce Services is part of joint effort with the U.S. Bureau of Labor Statistics to survey and report wages by occupation. And, we've recently released new occupational wage data (see the link below to access this data).

First, keep in mind that this wage data will give you a "ball park" wage. Yes, I know, we publish them to the penny, but this is survey data.

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Wages—Make Sure You Get Them Right! (continued)

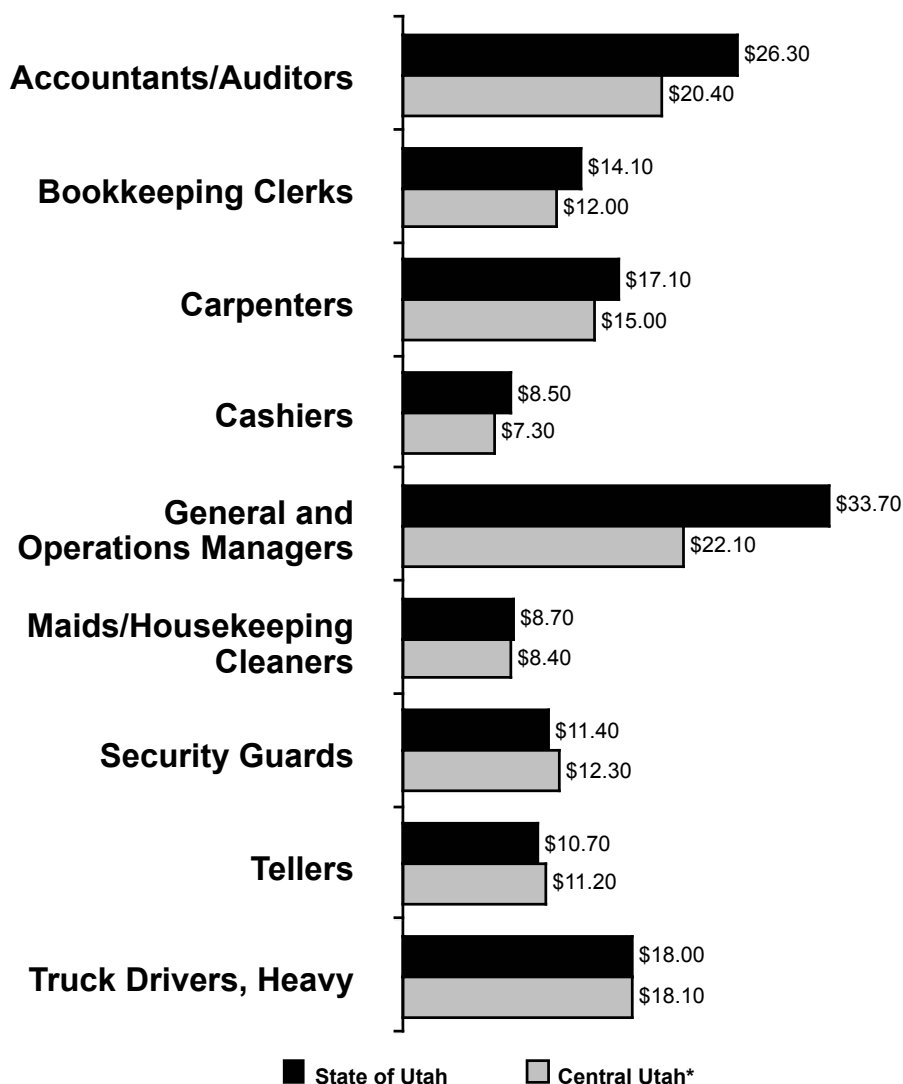
Second, remember there are many ways to look at wage data. You'll probably want to look at "inexperienced wages," if you are hiring someone with little or no experience. Think of this figure as a proxy for a beginning wage. (The inexperienced wage represents the average of the bottom third of worker wages.) The median wage is a better figure if you plan on hiring/paying someone who has average work experience. (The median represents the wage of the absolute middle worker a ranking of wages in that occupation.)

Third, the survey area is important. Millard, Piute, Sanpete, Sevier, and Wayne wages are included in the "Central" wage area. Juab wages are included in the Provo-Orem MSA area.

Finally, if you need some help finding an occupation or understanding the data, feel free to call the regional economist for your area. (That would be me. See my contact information on the front cover.) **WFN**

To access Utah wage data: <http://jobs.utah.gov/jsp/wi/utalmis/go-toOccwage.do>

Median Hourly Wages for Various Occupations



*Millard, Piute, Sanpete, Sevier, and Wayne counties.
Source: Utah Dept of Workforce Services, published June 2009.

County News

Juab County

During the past decade, large construction projects have distorted the underlying trends in Juab County's economic indicators—particularly in employment figures. During recent years, the ebb and flow of workers associated with the construction of the Currant Creek Power Plant generated both spectacular growth rates (as construction ramped up) and dismal rates of employment decline (as building slowed). The effects of this project appear to have finally dissipated, leaving Juab County with one of the few positive employment performances in Utah during the second quarter of 2009.

In June, Juab County posted a 0.4-percent year-over employment increase. True, that represents a net gain of less than 20 jobs. But, compared to the employment trouncing most areas experienced during mid-2009, Juab County shines. The private education/health/social services industry deserves much of credit for job creation. However, construction and retail trade also managed employment gains. In fact, improvements in these industries proved sufficient to offset the losses experienced in most other major industries. Mining and professional business services both suffered notable job hits.

After a slight decrease in unemployment during the first quarter of 2009, joblessness seems to be edging up slightly. Why this increase in the unemployment rate concurrent with rising jobs? Many Juab County workers commute out-of-county for employment. Recessionary job losses in other counties may have resulted in unemployment for these commuters.

After a brief surge earlier in the year, Juab County construction permit values dropped for the first eight months of 2009 compared to the same period in 2008.

On the other hand, gross taxable sales showed a healthy 11-percent increase between the second quarters of 2008 and 2009.

Millard County

When it comes to job loss, the recession was alive and well in Millard County during the second quarter of 2009. Between June 2008 and June 2009, Millard County lost almost 120 jobs for a year-to-year decrease of nearly 3 percent. Plus, in Millard County the recession seems to be an equal opportunity job stealer. Construction, retail trade, professional/business services, private education/health/social services, leisure/hospitality services and the public sector each lost between 15 and 20 positions over the past year. Only mining and wholesale trade made any employment gains worth mentioning.

On the other hand, Millard County's construction permit values look relatively unscathed, with a 20-percent increase for the first eight months of 2009. Although residential permits dropped substantially, a large non-residential project should provide new construction jobs in the months ahead. In addition, second quarter 2009 gross taxable sales held steady rather than declining as sales did earlier in the year. Perhaps the best news is Millard County's jobless rate. This more up-to-date indicator does appear to have plateaued just above the 4-percent mark—still at a historically low level. This may be a signal of an improving employment picture in third quarter.

Piute County

It's the fate of small counties to experience wide fluctuations in their economic indicators. During the second

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County News (continued)

quarter of 2009, Piute County continued to show a contracting employment base in contrast to the robust expansion of just more than a year earlier. Between June 2008 and June 2009, nonfarm jobs decreased by almost 7 percent—a loss of more than 20 jobs.

However, job losses do appear to be shrinking rather than expanding—an indicator that the worst of the contraction may be over. Moreover, the county's unemployment rate has shown an easily recognizable drop over the past several months. In August, Piute County's unemployment rate measured 6.5 percent—slightly higher than the state average (6.2 percent). In addition, gross taxable sales losses also appear to be moderating. Between the second quarters of 2008 and 2009, sales slipped by only 0.4 percent.

Sanpete County

Sanpete County continued to shed employment during the second quarter of 2009. Despite the reopening at Moroni Feed, employment continued to contract. Between June 2008 and June 2009, Sanpete County nonfarm employment dropped by almost 6 percent—a loss of more than 430 jobs. Losses in manufacturing accounted for almost one-half of the decline, but professional/business services (which includes “temps”), construction, mining and retail trade also endured extensive job losses. Only two major industries exhibited notable employment additions—government and the tourism-dependent leisure/hospitality industry.

Construction permitting continued to erode as the year progressed. Overall, permit values are down almost one-third for the January-to-August time frame. In addition, gross taxable sales persisted in its plummeting trend. Between the second quarters of 2008 and

2009, sales dropped 12 percent—the worst loss since the contraction began.

On the positive side, unemployment rates appear to have stabilized during the last several months. This may be a precursor to better news on the jobs front since unemployment rates are available sooner than employment data. In August, Sanpete County's unemployment rate measured 6.1 percent—just below the statewide average of 6.2 percent.

Sevier County

While Sevier County continued to experience job contraction during the second quarter of 2009, the losses themselves seemed have hit a recessionary low point in April. Another quarter's worth of data should indicate for sure whether or not Sevier County's economy has bottomed out. By June 2009, the year-to-year change in nonfarm jobs measured roughly 4.9 percent—almost a full percentage point lower than the county's April performance. Since June 2008, the county has shown a net loss of just more than 400 jobs.

Recession made an impact on almost every Sevier County industry. Leisure/hospitality services and manufacturing tied for the worst job losses—both were down almost 90 positions. In addition, construction, trade, and professional/business services endured considerable wallops to payroll job totals. Only mining managed to eke out a significant employment gain. Nevertheless, as in many neighboring counties, Sevier County's unemployment rates appear to have stabilized.

A remarkable increase in Sevier County's nonresidential permitting activity managed to partially offset the decided tumble (almost 60 percent) in residential building

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County News

approvals during the first eight months of 2009. Nevertheless, overall values dipped by 16 percent. Recessionary pressures also continued to grind away at gross taxable sales. On a year-over basis, second quarter sales dropped by 14 percent—the worst performance since the recession began.

Wayne County

April also seemed to mark a low point in Wayne County's employment scene. While the county showed a 6-percent employment decrease in April 2009, the comparable June figure had shriveled to less than 3 percent (down roughly 30 positions). A big drop in private health-care/social services employment was at the root of the June-to-June loss. Many other industries shed a small number of jobs, but government, manufacturing, wholesale trade, and leisure/hospitality services all created new positions.

While Wayne construction permitting activity dropped like a rock in the first eight months of 2009, second quarter 2009 gross taxable sales posted a sizable 20-percent increase. In addition, unemployment rates have dropped notably since their peak early in 2009. **WFN**

For more information about these counties, go to:
<http://jobs.utah.gov/countyinfo>.

What's Up?

For a quick look at your county's current economic information, go to: <http://jobs.utah.gov/countyinfo>, select your county, and then click on "Current Economic Snapshot."

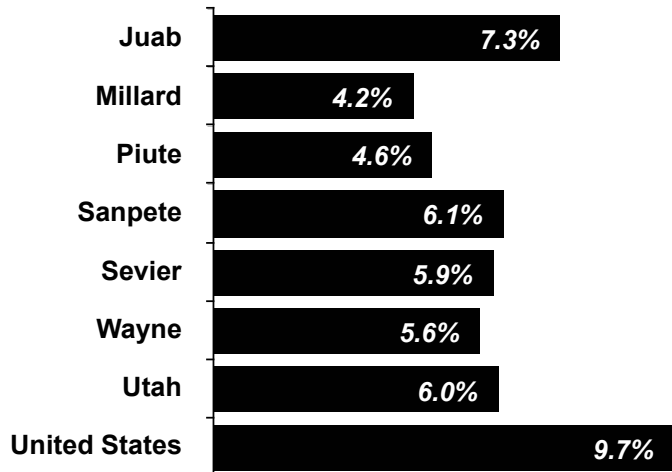
"The discussion about a proposal to build a 270-megawatt power plant near Sigurd will continue for the time being. An appeal hearing that was slated for Monday was canceled as **Sevier Power Company** withdrew its application for an ash disposal site. SPC plans to transport the ash from its power plant to a location outside of Sevier County."

-The Richfield Reaper

"State air-quality officials formally pulled the plug this week on the new coal-fired power plant planned in central Utah by the Intermountain Power Agency. James A. Hewlett, IPA's general manager, asked the state in an Aug. 12 letter to scrap the pollution permit granted to the company five years ago for the new 900-megawatt unit at its **Intermountain Power Plant in Delta.**"

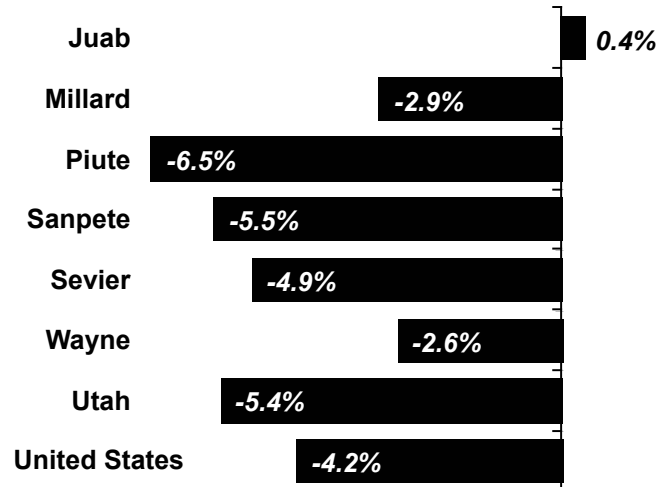
-The Salt Lake Tribune

Seasonally Adjusted Unemployment Rates August 2009



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

Percent Change in Nonfarm Jobs June 2008 to June 2009



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

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